

**Appendix 3**  
**United States Department of Defense**  
**Offer and Acceptance**  
**(DD Form 1513)**

In June of 1992, all new foreign military sales (FMS) cases were offered to customers in the letter of offer and acceptance (LOA) format described in Chapter 7 of this textbook. Prior to June 1992, all FMS cases were written on the DD Form 1513. Since it can take from 8 to 15 years to complete and close out an FMS case, this DD 1513 format will remain viable for quite some time. This appendix contains samples and descriptions of the DD Form 1513 and related documents.

**United States Department of Defense Offer and Acceptance**  
**DD Form 1513**

<b>UNITED STATES DEPARTMENT OF DEFENSE</b> <b>OFFER AND ACCEPTANCE</b>				(1) PURCHASER (Name and Address) (ZIP Code)				
(2) PURCHASER'S REFERENCE			(3) CASE IDENTIFIER					
<b>OFFER</b>								
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby offers to sell to the above purchaser the defense articles and defense services listed below (hereinafter referred to collectively as "Items" and individually as "defense articles" or "services"), subject to the terms contained herein and conditions set forth in Annex A, and to such other special terms and conditions which may be part of, and appended to, this Offer and Acceptance.								
(4) _____ Signature (U.S. Dept/Agency Authorized Representative)				(9) _____ Countersignature (Office of the Comptroller, DSAA) (Date)				
(5) _____ Typed Name and Title				(10) _____ Typed Name and Title				
(6) ADDRESS: _____				(11) DSAA ACCOUNTING ACTIVITY				
(7) DATE: _____								
(8) THIS OFFER EXPIRES: _____								
NOTE: This offer must be accepted not later than the date shown in block 8. Within five (5) days of the acceptance, you must notify the Office of the Comptroller, DSAA. Otherwise, this Offer is cancelled and retention of initial deposit by offeror pending disposition instructions shall not be deemed a waiver of such cancellation. Request prompt notification if this offer is rejected.								
ITEM OR REF. NO. (12)	ITEM DESCRIPTION (Including Stock Number if applicable) (13)	QUANTITY (14)	UNIT OF ISSUE (15)	ESTIMATED UNIT COST (16)	ESTIMATED TOTAL COST (17)	AVAILABILITY AND REMARKS (18)	OFFER RE-LEASE CODE (19)	DE- LIVERY TERM CODE (20)
(21) ESTIMATED COST				\$				
(22) ESTIMATED PACKING, CARATING, AND HANDLING COST				\$				
(23) ESTIMATED GENERAL ADMINISTRATIVE COSTS				\$				
(24) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT				\$				
(25) OTHER ESTIMATED COSTS (Specify)				\$				
(26) ESTIMATED TOTAL COSTS				\$				
(27) TERMS				(28) AMOUNT OF INITIAL DEPOSIT - \$				
<b>ACCEPTANCE</b>								
(29) I am a duly authorized representative of the Government of _____ and upon behalf of said Government, accept this offer under the terms and conditions contained herein (30) this _____ day of _____ 19____				(33) MARK FOR CODE _____ (34) FREIGHT FORWARDER CODE _____ (35) PROCURING AGENCY _____ (36) DESIGNATED PAYING OFFICE _____ (37) ADDRESS OF DESIGNATED PAYING OFFICE _____				
(31) _____ SIGNATURE				(37) ADDRESS OF DESIGNATED PAYING OFFICE				
(32) _____ TYPED NAME AND TITLE								

# United States Department of Defense

## Offer and Acceptance

### (DD Form 1513)

<b>UNITED STATES DEPARTMENT OF DEFENSE</b>				(1) PURCHASER (Name and Address) (ZIP Code)		
<b>NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE</b>						
(2) PURCHASER'S REFERENCE		(3) NOTICE NO.		(4) CASE IDENTIFIER		
<b>NOTICE OF MODIFICATION</b>						
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby notifies the purchaser of modification of the above designated case. All other terms and conditions of the original case remain unchanged.						
(5) _____ Signature (U.S. Dept/Agency Authorized Representative)				(9) _____ Countersignature (Office of the Comptroller, DSAA) (Date)		
(6) _____ Typed Name and Title				(10) _____ Typed Name and Title		
(7) ADDRESS: _____						
(8) DATE: _____						
(11) DESCRIPTION AND REASON(S) FOR MODIFICATION						
ITEM OR REF NO.	ITEM DESCRIPTION (Including Stock Number, if applicable)	QUANTITY	UNIT OF ISSUE	ESTIMATED		AVAILABILITY AND REMARKS
				UNIT COST	TOTAL COST	
(12)	(13)	(14)	(15)	(16)	(17)	(18)
RECAPITULATION OF TOTAL DD FORM 1513 (Or 1513-1)		(a) PREVIOUS COST		(b) REVISED COST		
(19) ESTIMATED COST		\$		\$		
(20) ESTIMATED PACKING, CARATING, AND HANDLING COSTS		\$		\$		
(21) ESTIMATED GENERAL ADMINISTRATIVE COSTS		\$		\$		
(22) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT		\$		\$		
(23) OTHER ESTIMATED COSTS (Specify)		\$		\$		
(24) ESTIMATED TOTAL COSTS		\$		\$		
<b>ACKNOWLEDGEMENT OF RECEIPT</b>						
(25) I am a duly authorized representative of the Government of _____ and upon behalf of said Government, acknowledge receipt of this notice of modification (26) this _____ day of _____ 19 _____.						
(27) TYPED NAME AND TITLE				(28) SIGNATURE		

**Space for General Conditions (Annex A)**  
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**GENERAL CONDITIONS**

**Annex A**

**A. THE GOVERNMENT OF THE UNITED STATES:**

1. Agrees to furnish such items from its Department of Defense (hereinafter referred to as "DOD") stocks and resources, or to procure them under terms and conditions consistent with DOD regulations and procedures. When procuring for the Purchaser, the DOD shall, in general employ the same contract clauses, the same contract administration, and the same inspection procedures as would be used in procuring for itself, except as otherwise requested by the Purchaser and as agreed to by the DOD. Unless the purchaser has requested that a sole source contractor be designated, and this Letter of Offer and Acceptance reflects acceptance of such designation by the DOD, the Purchaser understands that selection of the contractor source to fill this requirement is solely the responsibility of the Government of the United States (hereinafter referred to as "USG"). Further, the Purchaser agrees that the United States DoD is solely responsible for negotiating the terms and conditions of all contracts necessary to fulfill the requirements in the Letter of Offer.

2. Advises that when the DOD procures for itself, its contracts include warranty clauses only on an exceptional basis. However, the USG shall, with respect to items being procured, and upon timely notice, attempt to the extent possible to obtain any particular or special contract provisions and warranties desired by the Purchaser. The USG further agrees exercise, upon the Purchaser's request, any rights (including those arising under any warranties) the USG may have under any contract connected with the procurement of any items. Any additional cost resulting from obtaining special contract provisions or warranties, or the exercise of rights under such provisions or warranties, or any other rights that the USG may have under any contract connected with the procurement of items, shall be charged to the Purchaser.

3.a. Shall, unless the condition is otherwise specified herein (e.g., "As is"), repair or replace at no extra cost defense articles supplied from DOD stocks which are damaged or found to be defective in respect of material or workmanship, when it is established that these deficiencies existed prior to passage of title, or found to be defective in design to such a degree that the items cannot be used at all for the purpose for which they were designed. Qualified representatives of the USG and of the Purchaser, upon notification pursuant to paragraph B.6. below, shall agree on the liability of the USG hereunder and the corrective steps to be taken.

b. With respect to items being procured for sale to the Purchaser, the USG agrees to exercise warranties on behalf of the Purchaser pursuant to A.2. above to assure, to the extent provided by the warranty, replacement or correction of such items found to be defective.

c. In addition, the USG warrants the title of all items sold to the Purchaser hereunder. The USG, however, makes no warranties other than those specifically set forth herein. In particular the USG disclaims any liability resulting from patent infringement occasioned by the use or manufacture by or for Purchaser outside the United States of items supplied hereunder.

4. Agrees to deliver and pass title to the items to the Purchaser at the initial point of shipment unless otherwise specified in this Offer and Acceptance. With respect to defense articles procured for sale to the Purchaser, this will normally be at the manufacturers' loading facilities; with respect to defense articles furnished from stocks, this will normally be at the U.S. depot. Articles will be packed, crated or otherwise prepared for shipment prior to the time title passes. If "Point of Delivery" is specified otherwise than the initial point of shipment, the supplying Military Department of Defense Agency will arrange movement of the items to the delivery point as reimbursable service but will pass title at the initial point of shipment; the USG disclaims any liability for damage or loss to the items incurred after passage of title irrespective of whether transportation is by common carrier or by the U.S. Defense Transportation System.

5. Advises that: a. Unless otherwise specified, USG standard items will be furnished without regard to make or model.

b. The price of items to be procured shall be at their total cost to the USG. Unless otherwise specified, the cost estimates of items to be procured, availability determination, payment schedule, and delivery projections quoted are estimates based on current available data. The USG will use its best efforts to advise the Purchaser or its authorized representatives by DD Form 1513-2:

- (1) of any identifiable cost increase that might result in an increase in the "Estimated Total Costs" in excess of 10 percent;
- (2) of any changes in the payment schedule(s); and
- (3) of any delays which might significantly affect the estimated delivery dates;

but its failure to so advise of the above shall not affect the Purchaser's obligation under paragraphs B.1. and B.3. below.

c. The USG will, however, use its best efforts to deliver items or render services for the amount and at the times quoted.

6. Under unusual and compelling circumstances when the national interest of the United States so requires, the USG reserves the right to cancel or suspend all or part of this Offer and Acceptance at any time prior to the delivery of defense articles or performance of services (including training). The USG shall be responsible for all termination costs of its suppliers resulting from cancellations or suspensions under this paragraph.

7. Shall refund to the Purchaser any payments received hereunder which prove to be in excess of the final total cost of delivery and performance of this Offer and Acceptance, and are not required to cover arrearages on other open Offers and Acceptances of the Purchaser.

8. Advises that personnel performing defense services provided under this Offer and Acceptance will not perform any duties of a combatant nature, including any duties relating to training, advising, or otherwise providing assistance regarding combat activities, outside the United States in connection with the performance of these defense services.

9. Advises that in the assignment or employment of United States personnel for the performance of this Offer and Acceptance, the USG will not take into account race, religion, national origin or sex.

10. Advises that, notwithstanding Purchaser's agreement to pay interest on any net amount by which Purchaser may be in arrears on payments (as provided for in paragraph B.3.g. below), USG funds will not be used for disbursements by DOD to its contractors in the event of any such arrears in payments. Accordingly, failure by the Purchaser to make timely payments in the amounts due may result in delays in contract performance by DOD contractors, claims by contractors for increased costs (including the above mentioned interest costs), claims by contractors for termination liability for breach of contract or termination of contracts by the USG under this or other open Offers and Acceptances of the Purchaser at Purchaser's expense.

**B. THE PURCHASER:**

1. Shall pay to the USG the total cost to the USG of the items, even if the final total cost exceeds the amounts estimated in this Offer and Acceptance.

2. Shall make payment(s) for the items by check(s) or by wire transfer payable in United States dollars to the Treasurer of the United States.

3.a. Shall, if "Terms" specify "cash with acceptance", forward with this Offer and Acceptance a check or wire transfer in the full amount shown as the estimated total cost, and agrees to make such additional payment(s) as may be specified upon notification of cost increase(s) and request(s) for funds to cover such increases.

b. Agrees if "Terms" specifies payment to be "cash prior to delivery" to pay to the USG such amounts at such times as may be specified from time to time by the USG (including any initial deposit set forth under "Terms") in order to meet payment requirements for articles or services to be furnished from the resources of the US Department of Defense. USG requests for funds may be based on estimated requirements to cover forecasted deliveries of articles or costs to provide defense services. It is USG policy to obtain funds 90 days in advance of the time DOD plans such deliveries or incurs such expenses on behalf of the Purchaser.

c. Agrees, if "Terms" specify payment by "dependable undertaking" to pay to the USG such amounts at such times as may be specified from time to time by the USG (including any initial deposit set forth under "Terms") in order to meet payments required by contracts under which item are being procured, and any damages and costs that may accrue, or have accrued, from termination of contracts by the USG because of Purchaser's cancellation of this Offer and Acceptance under paragraph B.7. hereof. USG requests for funds may be based upon estimated requirements for advance and progress payments to suppliers, estimated termination liability, delivery forecasts or evidence of constructive delivery, as the case may be. It is USG policy to obtain such funds 90 days in advance of the time USG makes payments on behalf of the Purchaser.

Space for General Conditions (Annex A)  
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**F. PUBLIC INSPECTION:**

This Offer and Acceptance will be made available for public inspection to the fullest extent possible consistent with the national security of the United States.

**EXPLANATORY NOTES**

1. The item or reference numbers appearing in the "ITEM OR REF. NO." column may not correspond with references used in Purchasers' original request. However, this number, together with the case identifier shown should always be used as a reference in future correspondence.

2. Availability leadtime quoted is the estimated number of months required to complete delivery of the item(s) in accordance with the terms of delivery after receipt of acceptance of this Offer pursuant to Section D. of the Conditions, and the conclusion of appropriate financial arrangements. Phased deliveries are shown by quantity and leadtime for each increment, where applicable. Items for which delivery leadtime is not shown are noted in column headed "Item Description" as items to be installed in the applicable end item prior to shipment.

3. The planned source of supply for each item is expressed in the following codes:

- S (\*) Service Stocks
- P (\*) Procurement
- R (\*) Rebuild/Repair/Modification
- X (\*) Stock and procurement, e.g., initial repair parts
- E (\*) "Mimex" major items in long supply or excess

\*Availability is stated in months.

4. Condition of the defense articles shown in the "AVAILABILITY AND REMARKS" column is expressed in the following codes:

- AI - Items to be provided in existing condition without repair, restoration or rehabilitation which may be required. Condition indicated in item description.
- M - Articles of mixed condition (new, reworked, and rehabilitated) may be commingled when issued. Example: repair parts, ammunition, set assemblies, kits, tool sets and shop sets.
- B - Serviceable defense articles.
- O - Obsolete or non-standard item in an "AS IS" condition for which repair parts support may not be available from DOD.
- S - Substitute. Suitable substitutions may be shipped for unavailable defense articles unless otherwise advised by the Purchaser.
- U - Reworked or rehabilitated defense articles possessing original appearance insofar as practicable; including all Modification Work Orders and Engineering Change Orders as applied to such defense articles when issued but defense articles should not be considered as having had total replacement of worn parts and/or assemblies. Only parts and components not meeting US Armed Forces serviceability tolerances and standards will have been replaced; in all instances such defense articles will meet US Armed Forces standards of serviceability.

5. Training notes:

- AP - Annual Training Program.
- SP - Social Training designed to support purchases of US equipment.
- NC - This offer does not constitute a commitment to provide US training.
- SC - US Training concurrently being addressed in separate Offer and Acceptance.
- NR - No US training is required in support of this purchase.

6. For meaning of delivery codes, see Military Assistance Program Address Directory (MAPAD).

7. The use of Offer/Release Codes "Y" and "Z" will incur a storage fee of .125% per month for shipment delays in excess of 15 days.

# United States Department of Defense Amendment to Offer and Acceptance (DD Form 1513-1)

<b>UNITED STATES DEPARTMENT OF DEFENSE AMENDMENT TO OFFER AND</b>				(1) PURCHASER (Name and Address) (ZIP Code)				
(2) PURCHASER'S REFERENCE		(3) AMDT NO.		(4) CASE IDENTIFIER				
<b>OFFER TO AMEND</b>								
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby offers to amend the above case for the purchase of defense articles and defense services subject to all other terms and conditions of the original case remaining unchanged.								
(5) _____ Signature (U.S. Dep/Agency Authorized Representative)				(10) _____ Countersignature (Office of the Comptroller, DSAA) (Date)				
(6) _____ Typed Name and Title				(11) _____ Typed Name and Title				
(7) ADDRESS: _____								
(8) DATE: _____								
(9) THIS OFFER EXPIRES: _____								
NOTE: This Amendment to Offer must be accepted not later than the date shown in block 9. Within five (5) days of its acceptance, you must so notify the Office of the Comptroller, DSAA. Otherwise, this Offer is cancelled and retention of initial deposit by offerer pending disposition instructions shall not be deemed a waiver of such cancellation. Request prompt notification if this offer is rejected.								
(12) DESCRIPTION AND REASON(S) FOR AMENDMENT:								
ITEM OR REF. NO. (13)	ITEM DESCRIPTION (Including Stock Number if applicable) (14)	QUANTITY (15)	UNIT OF ISSUE (16)	ESTIMATED		AVAILABILITY AND REMARKS (19)	OFFER RE-LEASE CODE (20)	DE-LIVERY TERM CODE (21)
				UNIT COST (17)	TOTAL COST (18)			
				(a) PREVIOUS COST		(b) AMENDED COST		
(22) ESTIMATED COST				\$		\$		
(23) ESTIMATED PACKING CRATING AND HANDLING COST				\$		\$		
(24) ESTIMATED GENERAL ADMINISTRATIVE COSTS				\$		\$		
(25) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT				\$		\$		
(26) OTHER ESTIMATED COSTS (Specify)				\$		\$		
(27) ESTIMATED TOTAL COSTS				\$		\$		
(28) TERMS								
<b>ACCEPTANCE OF</b>								
(29) I am a duly authorized representative of the Government of _____ and upon behalf of said Government, accept this offer to amend under the terms and conditions contained herein (30) this _____ day of _____ 19 ____								
(31) TYPED NAME AND TITLE				(32) SIGNATURE				

# United States Department of Defense

## Notice of Modification to Offer and Acceptance

### (DD Form 1513-2)

<b>UNITED STATES DEPARTMENT OF DEFENSE</b>				(1) PURCHASER (Name and Address) (ZIP Code)		
<b>NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE</b>						
(2) PURCHASER'S REFERENCE		(3) NOTICE NO.	(4) CASE IDENTIFIER			
<b>NOTICE OF MODIFICATION</b>						
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby notifies the purchaser of modification of the above designated case. All other terms and conditions of the original case remain unchanged.						
(5) _____ Signature (U.S. Dept/Agency Authorized Representative)				(9) _____ Countersignature (Office of the Comptroller, DSAA) (Date)		
(6) _____ Typed Name and Title				(10) _____ Typed Name and Title		
(7) ADDRESS: _____ (8) DATE: _____						
(11) DESCRIPTION AND REASON(S) FOR MODIFICATION						
ITEM OR REF NO. (12)	ITEM DESCRIPTION (Including Stock Number, if applicable) (13)	QUANTITY (14)	UNIT OF ISSUE (15)	ESTIMATED		AVAILABILITY AND REMARKS (18)
				UNIT COST (16)	TOTAL COST (17)	
RECAPITULATION OF TOTAL DD FORM 1513 (OF 1513-1)		(a) PREVIOUS COST		(b) REVISED COST		
(19) ESTIMATED COST		\$		\$		
(20) ESTIMATED PACKING, CARATING, AND HANDLING COSTS		\$		\$		
(21) ESTIMATED GENERAL ADMINISTRATIVE COSTS		\$		\$		
(22) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT		\$		\$		
(23) OTHER ESTIMATED COSTS (Specify)		\$		\$		
(24) ESTIMATED TOTAL COSTS		\$		\$		
<b>ACKNOWLEDGEMENT OF RECEIPT</b>						
(25) I am a duly authorized representative of the Government of _____ and upon behalf of said Government, acknowledge receipt of this notice of modification (26) this _____ day of _____ 19 _____.						
(27) TYPED NAME AND TITLE				(28) SIGNATURE		

# United States Department of Defense

## Notice of Modification to Offer and Acceptance (DD Form 1513-2)

### REMARKS

1. DD Form 1513-2 is utilized to record modifications to an existing DD Form 1513 and any related amendments thereto, but only for those modifications which do not constitute a change in scope. Modifications appropriate for DD Form 1513-2 include all notifications of price increases and related changes in payment schedules.
2. Changes in scope of a DD Form 1513 require a formal amendment, utilizing DD Form 1513-1. Such changes are those which affect the type or number of major items and/or services to be provided or which significantly alter system configuration or functions. Such changes must be made by utilization of DD Form 1513-1.
3. DD Form 1513-2 does not require acceptance by the recipient country (customer) but merely acknowledgement of receipt. (DD Form 1513-1 does require acceptance).
4. All terms and conditions of an existing DD Form 1513 and any related amendments thereto not specifically noted to be modified by a DD Form 1513-2 are understood to remain unchanged and in effect.

## Discussion of Selected Elements of the DD Form 1513

The purpose of this attachment is to briefly outline how certain selected entries of the DD Form 1513 are completed. References for this section are: DoD 5105.38-M, Security Assistance Management Manual SAMM, Chapter 7, and Appendix D; Air Force Regulation 130-1; Army Regulation 12-8; and NAVSUP Publication 526. As of 1 June 1992, the DD Form 1513 was replaced by a reformatted Letter of Offer and Acceptance (LOA). All new cases after that date have employed the new LOA, but preexisting cases have retained the DD Form 1513.

### Block 1 [Purchaser]

- a. For a country, this must always start with "Government of (name of country)." Further, it must show the specific office and address of the purchasing country's activity designated to receive the Letter of Offer and Acceptance (DD Form 1513).
- b. For a proposed sale to an international organization, this must start with the title of the organization (e.g., NATO Maintenance and Supply Agency).

### Block 2 [Purchaser's Reference]

This block is always completed and will show any pertinent data (message, letter, meeting, oral request, etc.) which initiated the request.

### Block 3 [Case Identifier]

The case identifier (a six-position alpha-numeric code) should be unique to that case, i.e., it should never have been used before nor ever again. It consists of three separate elements, as follows:

- a. **Country/Activity Code** - A two-position code indicating the country, international organization, or account which is the recipient of the materiel or services. Examples:  
AT – Australia  
KS - Korea (Seoul)  
N4 - NATO Maintenance and Supply Agency – General  
N3 - NATO Sea Sparrow

A complete listing of these codes can be found in Appendix D of the SAMM.

- b. **Implementing Agency Code** - A single draft alpha code identifying the DoD component responsible for the case. Examples:



B - U.S. Army  
D - U.S. Air Force  
P - U.S. Navy  
Q - Defense Security Cooperation Agency (DSCA)  
R - Defense Logistics Agency (DLA)

A complete listing of implementing agency codes for FMS cases can be found at Appendix D of the SAMM.

- c. **Case Designator** - A three-digit code which identifies a specific offer with a specific purchaser. The first position is always an alpha while the second and third position may be an alpha or numeric. The first position generally identifies the commodity or service furnished. Chapter 8 of this text provides a further explanation of this code. The other two positions are assigned in sequence to identify sequentially additional cases for the same commodity or service.

Examples:

- U.S. Army: BAA - Blanket order case for repair parts managed by the Army Material Command.
- U.S. Navy: JAA - Blanket order [Direct Requisitioning Procedure (DRP)].
- U.S. Air Force: RAA - Blanket order case for spare parts.

The case identifier should follow a sequence as follows: AT-B-BAA. In this example, the country/activity code is AT which is Australia, the implementing agency code is B which is the U.S. Army while the Case Designator is BAA which is a Blanket Order Case for repair parts (first one in the sequence for that type of case for Australia within the U.S. Army).

Another example is KS-B-BAA. The country/activity code is Korea (Seoul). Again the implementing agency code is "B" for the U.S. Army while the Case Designator is BAA. A mistake? No, BAA could be a Case Designator assigned to any country but should not be repeated for the same country.

#### **Block 4 [Signature]**

Prior to DSCA countersignature, this block must be signed by the authorized DoD Component representative.

#### **Block 5 [Typed Name and Title]**

Stamped or typed name and title of person who signed in Block 4.

#### **Block 6 [Address]**

Organization, title, and address of the DoD component making the offer (organization and address of person who signed Block 4).

#### **Block 7 [Date]**

The entry here should be the date the offer is forwarded from the DoD component to DSCA for countersignature.

#### **Block 8 [This Offer Expires]**

The entry here should be at least 85 days from the date in Block 7 unless: (1) a shorter period is necessary to insure validity of contractor quotes, or other reasons why it must be shorter (Note: If it is shorter, an explanation must be given to the purchaser in the LOA); or (2) a longer period is authorized for certain countries.

## **Block 9 [Countersignature]**

An authorized representative of the DSCA Comptroller will countersign the LOAs. LOAs will not be countersigned unless proper coordination has been taken and all necessary information is contained on the DD Form 1513. The date of the countersignature is considered the date that the DD Form 1513 is offered to the FMS customer, i.e., the “date offered.”

## **Block 10 [Typed Name and Title]**

Name and title of official who countersigned in Block 9.

## **Block 11 [DSCA Accounting Activity]**

Enter DFAS-AY/DE, Denver CO 80279.

## **Block 12 [Item or Reference Number]**

For cases involving more than one line item, a separate number for each item should be entered. Start with 1 (or 001) and number consecutively until the last item. Many FMS cases are comprised of distinct elements. For example, a system sale may involve concurrent/initial spares, technical services, travel, etc., as well as the major end item/system hardware. The U.S. Army, Navy and Air Force all use a different method for displaying this information on the DD Form 1513, as follows:

- a. U.S. Army - To identify lines and sub-lines of a case, the Army uses both blocks 12 and 13. In block 12 of DD Form 1513 (item or reference number) the Army uses a number. Each separate line item (either “defined” or “dollar”) is identified by a numeric. The first line item is 1, the second is 2, the third is 3 and so forth. Sub-elements of each line item are normally identified by an alpha designation starting with “a,” “b,” “c,” etc. (in Block 13). For example, line item number one might be automotive supplies in general. The line may be divided into two parts. The first part could be an engine shown as “1.a,” while the transmission would be shown as “1.b.” An example is as follows:

<b><u>Block 12</u></b>	<b><u>Block 13</u></b>
1.	Automotive Parts
	a. Engine
	b. Transmission

Neither “1.a.” or “1.b.” would show in the FMS Billing Statement (DD Form 645) identified in that manner. Both would be “rolled-up” into a single line and displayed as 001 (together with the MASL short title for Automotive Parts).

- b. U.S. Navy - Similar to the U.S. Army, the Navy uses a line item system (i.e., 1, 2, 3, etc.). In addition to the line item, the Navy uses a three-digit (alpha and numeric) code known as a Record Serial Number (RSN). The RSN designates the line number of the case “A01” for example means that NAVAIR (A) manages line item 1 (01) of the case. When an RSN is used, that information reflects on the FMS Billing Statement as the line in lieu of 001, 002, 003, etc.

Examples are as follows:

<b><u>Block 12</u></b>	<b><u>Block 13</u></b>
1.	RSN A01
2.	RSN A02

- c. U.S. Air Force - The Air Force also uses line item numerics such as 001, 002, 003, etc. For example, a case identifier may be AT-D-SAA. The case may be divided among the aircraft, initial (concurrent) spares, technical assistance and so forth. The first line item (001) would most likely be the aircraft. The initial (concurrent) spares may be line number 002. An example is as follows:

<u>Block 12</u>	<u>Block 13</u>
001	Aircraft
002	Initial Spares

### **13. Block 13 [Item Description]**

Block 13 should include the National Stock Number (NSN) and/or part number, as appropriate, and a complete description of the material/services. For cases involving major systems/end items, all complementing/supporting material and services should be described."

a. U.S. Army:

- (1) The first (top) entry is the National Stock Number (NSN) or pseudo NSN found in the Military Articles and Services List (MASL). The appropriation and budget activity account code, second position of the five-position material category structure code in the Army Master Data File, will follow in parenthesis each NSN entered as a defined line or subline. An example is as follows:

2350-00-122-6826

- (2) The Generic Code is to be typed directly below the NSN or pseudo NSN. Following the Generic Code is a digit entry indicating whether the item is Major Defense Equipment or not. ("Y" = Yes; "N" = No). Example as follows:

2350-00-122-6826

(D4A/Y)

- (3) The next entry below the above is a description of the item as taken from the MASL. An example is as follows:

2350-00-122-6826

(D4A/Y)

Full Tracked, Diesel  
Engine M88AI

- (4) Equipment to be installed on a major end item will be inserted as sublines under a defined or dollar line, even though the installed item is shown as a defined line in the MASL. Generic codes will not be repeated for equipment installed on the major end item. An example is as follows:

2350-00-122-6826

(D4A/Y)

Recovery Vehicle  
Full Tracked, Diesel  
Engine M88AI with the

Following communications equipment installed:

- a. 5820-00-223-7433(p)  
Radio Set AN/VRC-46
- b. 5820-00-762-4856(2)  
Installation Harness
- c. 5820-00-493-7535(2)  
Accessory Kit
- d. 5919-00-431-6718(2)  
Suppressor MS-7773A

For an explanation of how entries are made in Block 13, see AR 12-8.

- b. U.S. Navy - The entries included in Block 13 for Navy cases are not standardized. The following is an example of one Navy case which reflects the information on that case.

(1) First Entry:

C01 C9A 9C9A00 SHIP PTS. The RSN for this case is C01. The Generic code is C9A for this case. The MASL pseudo NSN is 9C9A00 SHIP PTS. This entry is followed by a (Y) or (N) indicating "Yes" or "No" for Major Defense Equipment.

(2) Second Entry (below the above):

SHIP SP PTS, COMP, AND ACRYs  
Repair and Return of  
LVTP-7 Repairables

This is a description of the type of case and the applicability of the case (i.e., LVTP-7).

(3) Next Entries:

The Navy sometimes writes "Notes" on the face of the DD Form 1513.

(4) To review this case, the entry in Block 13 would look like this:

C01 C9A 9C9A00SHIPPTS(N)  
SHIP SP PTS, COMP, AND ACRYs  
Repair and Return of  
LVTP-7 Repairables  
Note (1): "Procedures . . . apply."

- c. U.S. Air Force:

The Air Force structure for Block 13 is as follows:

(1) First Entry - The first entry of a USAF case is the Generic Code followed by the MASL number. Example as follows:

(A9C) 9A9C00ACPARTS

(2) Following these entries is a code related to whether the item is Major Defense Equipment

(MDE) or not. A “Y” indicates “Yes” for MDE, while “N” shows that the item is non-MDE.

- (3) A complete first line entry therefore is as in the following example:

(A9C) 9A9C00ACPARTS(N)

- (4) The next line is an item description taken from the MASL, as in the following example:

Computer, Air Navigation

- (5) This entry is followed by a NSN and/or part number:

(A9C) 9A9C00ACPARTS(N)  
Computer, Air Navigation  
NSN: 6605-00-064-6911

#### **Block 14 [Quantity]**

Enter amount, if a defined quantity is requested; otherwise enter N/A or leave blank.

#### **Block 15 [Unit of Issue]**

Enter Unit of Issue (ea., hd., etc.), if defined quantity is requested. Otherwise enter N/A or leave blank.

#### **Block 16 [Unit Cost]**

Enter unit cost if defined quantity is requested. Otherwise enter N/A or leave blank.

#### **Block 17 [Total Cost]**

Enter sum of total estimated cost of each line.

#### **Block 18 [Availability and Remarks]**

Entries in this block are generally tied to Annex A of the DD Form 1513.

- a. The first entry is the planned source of supply.

- (1) Enter “S” (service stocks), if the planned source of supply is from DoD resources (i.e., articles from stock, services or training using DoD personnel).
- (2) Enter “P” (new procurement), if the planned source of the defense articles or services (including training) is through procurement. By way of definition, an “S” should be used if the item is provided directly from stock or if it is provided from an existing procurement contract for which no “add-on” or amendments were accomplished because of the FMS case. If a new contract or an amendment (add-on) to a procurement contract is necessary, the “P” should be used.
- (3) Enter “X” if the source of supply is unknown at the time the DD Form 1513 is prepared (i.e., the item or service will either be obtained from “S” or “P”). The “X” is normally used in blanket order cases, indicating mixed stock and procurement.
- (4) Enter “E” if the item is obtained via “MIMEX.”
- (5) Enter “R” if the case or line involves repair, rebuild, or modification-if performed within organic resources.

- b. The second entry is a two digit number which expresses the estimated number of months from acceptance to the time the item or service is made available. An example is P(18) which means that it is estimated that the item/service will be available 18 months from the acceptance date.
- c. Other entries may be found in this block as follows:
  - (1) Condition of the Defense Articles—Taken from the explanatory notes of Annex A, a “condition code” may be used at the option of the DoD component. For example, “B” indicates serviceable defense articles.
  - (2) Training Notes—At the option of the DoD component, a training note may be placed in this block if appropriate. For example, “SC” means that U.S. training is concurrently being addressed in a separate offer and acceptance. The training notes can be found with the explanatory notes of Annex A.
  - (3) Type of Assistance Code—Chapter 13, Section 1301, SAMM, requires that each line of the DD Form 1513 contain a Type of Assistance Code in block 18.

### **Block 19 [Offer/Release Code]**

Based upon agreement between the DoD component and purchaser, offer/release codes are used for each line involving defense articles. For example:

- A Automatic release of all shipments (freight and parcel post) without a notice of availability. Y Parcel post automatically released. Notice of availability provided on freight shipments. After fifteen days without release instructions, shipments are automatically released.
- Z Shipment cannot be released without a reply to the required notice of availability. Parcel post automatically released.
  - a. U.S. service will sponsor shipment to a country address.
  - b. Shipment is made to an assembly point or staging area.

The purchaser shall forward shipping instructions for the U.S. government implementing agency to insert the proper codes. For further instructions, see SAMM, Table 701-10, Chapter 7.

### **Block 20 [Delivery Term Code]**

This code indicates who will be responsible for shipping the item (USG or customer) and probable transportation percentage cost if it is shipped by the USG. The codes are identified in SAMM, Chapter 7.

### **Block 21 [Estimated Cost]**

In whole dollars, enter estimated material/services costs. Do not include any costs reflected in blocks 22, 23, 24, or 25.

### **Block 22 [Estimated Packing, Crating, and Handling Cost]**

Enter estimated dollar amounts as outlined in DoD 7290.3-M. Enter the lines for which the cost applies (if not total case) in parentheses. Do not show the percentage rate used. These costs apply only when DoD facilities/resources are used in packing, crating or handling of items.

### **Block 23 [Estimated General Administrative Costs]**

Enter prescribed estimated administrative costs as outlined in DoD 7290.3-M (do not enter estimated administrative charges for Cooperative Logistics Supply Support Arrangement in this block). Do not show the percentage rate used.

### **Block 24 [Estimated Charges for Supply Support Arrangements]**

For all FMSO I and FMSO II cases, enter the estimated administrative charges as outlined in DoD 7290.3-M.

**Block 25 [Other Estimated Costs]**

Describe the charge and enter in whole dollars. An example of a charge entered in this block is transportation when charged to the case (e.g., when the Defense Transportation System is used).

**Block 26 [Estimated Total Costs]**

Total Blocks 21 through 25 and enter the amount in whole dollars.

**Block 27 [Terms]**

Based upon guidance contained in Chapter 13, SAMM, enter the proper term(s) of sale. The statement, "Payment will be in accordance with the provisions of the financial annex" should always be entered (except for FMSO I cases which do not require a Financial Annex).

**Block 28 [Amount of Initial Deposit]**

If the terms of sale and other factors (such as planned source of supply, anticipated delivery dates, etc.) dictate an initial deposit, this amount should be entered in whole dollars.

**Block 29 [Acceptance]**

The purchaser should enter the name of the country/international organization.

**Block 30 [Acceptance]**

The purchaser should enter the date the DD Form 1513 is signed by an authorized representative.

**Block 31 [Signature]**

The authorized representative of the purchaser should sign this block.

**Block 32 [Typed Name and Title]**

This is entered by the purchaser and should be the same individual (authorized representative) who signed the DD Form 1513 in Block 31.

**Block 33 [Mark For Code]**

The purchaser enters the code from DoD 5105.38-D, Military Assistance Program Address Directory (MAPAD), that identifies the organization in country which is to receive the materiel. For Blanket Order or FMSO II cases, the term "per requisition" may be appropriate.

**Block 34 [Freight Forwarder (FF) Code]**

Enter the appropriate FF code contained in the MAPAD. The U.S. Air Force and Navy precede the FF code with the purchaser's in-service code (e.g., Army "B", Air Force "D", Navy "P"). The U.S. Army puts the purchaser's in-service code in Block 35.

**Block 35 [Procuring Agency]**

The purchaser should put the office/agency it wishes the USG to contact in the event of questions regarding the LOA. The purchaser's service should be clearly identified.

**Block 36 [Designated Paying Office]**

The purchaser enters the office to which it wishes the Quarterly Billing Statement (DD Form 645) be sent by the DFAS-AY/DE.

**Block 37 [Address of Designated Paying Office]**

The purchaser should enter the full address of the activity listed in Block 36.